

## **TALKING POINTS:**

### **Democrats Are Seeking to Reinstate Fiscal Discipline**

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**Democrats are urged to vote NO on the previous question on the rule** on the budget in order to allow the House to consider an amendment by Rep. Mike Thompson (D-CA) to reimpose Pay-As-You-Go budget rules that apply to both mandatory spending and tax cuts.

Following are talking points on reimposing Pay-As-You-Go rules.

**Democrats are seeking to reinstate meaningful Pay-As-You-Go rules.** Democrats are urging the adoption of meaningful Pay-As-You-Go rules – that would apply both to mandatory spending and to tax cuts. These Pay-As-You-Go rules were in place from 1990 through 2002.

**The Bush Administration has turned a \$5.6 trillion surplus into a nearly \$3 trillion deficit.** The Bush Administration has squandered the legacy of the large surpluses left it by the Clinton Administration. Now, according to the Congressional Budget Office, the Bush budget calls for large deficits in each of the next ten years – never reaching balance.

**The Pay-As-You-Go rules supported by the House GOP leadership are a travesty – exempting tax cuts from any fiscal discipline.** The House GOP leadership has stated that the only Pay-As-You-Go rules that they support would apply only to mandatory spending and not to tax cuts. This policy would allow the Bush tax cuts to continue deficits for as far as the eye can see -- indeed, the Congressional Budget Office estimates that the deficit in 2014 under the Bush budget would still be \$284 billion.

**In the 1990s, Pay-As-You-Go rules, applying to both mandatory spending and tax cuts, succeeded in turning deficits into surpluses.** Using the Pay-As-You-Go rules, the Clinton Administration was successful in turning a \$290 billion deficit in 1992 into budget surpluses in 1998, 1999, and 2000. This type of fiscal discipline needs to be reinstated.

